

State of Alaska FY2010 Governor's Operating Budget

Department of Health and Social Services Administrative Support Services Component Budget Summary

Component: Administrative Support Services

Contribution to Department's Mission

To provide quality administrative services that support the department's programs.

Core Services

- Financial management of all programs within the department
- Timely fiscal payments for all bills, travel and other payables
- Accurate and timely federal claims and reporting for the almost \$1 billion in federal funds collected every year
- Purchasing and grant management services
- Coordination of all budget activities within the department

FY2010 Resources Allocated to Achieve Results		
FY2010 Component Budget: \$10,008,200	Personnel:	
	Full time	100
	Part time	0
	Total	100

Key Component Challenges

- Activities within this component are key to the success of the entire Finance and Management unit within the Commissioner's Office. A primary challenge for this unit is to stabilize processes and functions within the department, while improving the efficiency and effectiveness of all administrative support areas.
- Recruitment and retention are issues with all units. With an average vacancy rate of a 20%, it is difficult to hire and keep staff in many job classes.
- Implementing additional enhancements to eGrants.
- Continuing efforts to improve accuracy and streamline revenue processes for revenue reporting, federal drawdowns, and revenue posting.
- Responding in a timely and accurate manner to audit information requests from multiple agencies with limited staff and ongoing responsibilities
- Training for compliance with the Alaska Administrative Manual sections regarding financial processes, Department Policy and Procedures and internal procedures is a major challenge due to staff turnover in the past year.

Significant Changes in Results to be Delivered in FY2010

The Department of Health and Social Services consolidated administrative functions into a centralized unit beginning in FY2005. Over the last year, management has determined that the consolidation did not achieve the desired results and that the positions should be returned to the originating divisions. A total of 78 administrative staff positions will be transferred out from Administrative Support Services to the originating line divisions in the FY2010 Governor's Budget.

Major Component Accomplishments in 2008

Budget Section:

- Successfully completed the first 90-day legislative session, meeting all deadlines and maintaining response time to information requests.
- Developed and implemented an operating budget of approximately \$2.0 billion spanning over nine divisions and 94 budgetary components.
- Processed 745 Reimbursable Services Agreements and budget revised programs during FY2008.
- Tracked and responded to 120 legislative budget requests during FY2008.
- Reviewed fiscal notes and analyses for over 100 bills during the 2008 legislative session.
- Coordinated Alaska Mental Health Trust Authority project funding within the department, including reconciling Trust proposals with department budget, project status reporting, etc. for approximately 40 projects in FY2008.
- Released a supplement to the Long-Term Medicaid forecast, updating the projection for 2007-2027.
- The Medicaid Budget Group coordinated and responded to 156 information requests during FY2008.
- The Medicaid Budget Group developed fiscal notes and analyses for 26 bills during the 2008 legislative session.

Finance Section:

- Processed approximately 97,446 financial transactions for FY2008. This total includes all types of financial transactions (vendors, warrants, encumbrances, inter-agency billings, adjusting journal entries, etc.).
- Processed the majority of the \$8,644,607 worth of FY2008 AutoPay (credit card) transactions for the department. This total dollar amount equates to approximately 51,093 transactions. The bulk of these (82%) are processed by Finance and Management Support Services (FMS) Finance staff.

Grants and Contracts Unit:

- Grantees submitted quarterly fiscal reports electronically through eGrants beginning first quarter FY2008.
- Completed the Health and Social Services FY2008 Operating Grant booklet.
- Issued 626 FY2008 operating grants totaling nearly \$146 million.
- Awarded approximately 113 professional services contracts totaling nearly \$155 million. Included in that is the \$129 million award to Affiliated Computer Services for the design, development and implementation of the Medicaid Management Information System (MMIS).
- Continued work with the Rasmuson Foundation on the DHSS Grantee Partnership Project.

Audit Unit:

- Reconciled and settled 485 department grants.
- Recovered \$490,000 of unexpended and/or mis-expended grant funds.
- Provided federal subrecipient monitoring of 80 department grantees.
- Provided staff time as requested to the Division of Legislative Audit to assist with the department federal compliance audit.
- Facilitated the update of the DHSS State Single Audit Compliance Supplements.
- Facilitated compilation of the DHSS federal subrecipient list for Division of Finance.
- Performed special limited reviews of department grantees as requested.
- Served as department liaison with Legislative Audit.
- Coordinated department response to federal audit findings.

Revenue Unit:

- Received approval of the new Cost Allocation Plan by the federal Division of Cost Allocation.
- The new cost allocation system, MaxCars, has been implemented. MaxCars has been in use for all of FY2008. During the year, much work has been done to increase the accuracy of the allocation process.

Statutory and Regulatory Authority

AS 37.05 Public Finance, Fiscal Procedures Act
AS 37.07 Public Finance, Executive Budget Act
AS 37.10 Public Finance, Public Funds
AS 36.30 Public Contracts, State Procurement Code

Contact Information
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Administrative Support Services Component Financial Summary

All dollars shown in thousands

	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	11,328.9	13,708.9	8,263.0
72000 Travel	70.3	21.9	21.9
73000 Services	1,904.0	2,328.2	1,634.6
74000 Commodities	161.6	47.7	47.7
75000 Capital Outlay	0.0	41.0	41.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	13,464.8	16,147.7	10,008.2
Funding Sources:			
1002 Federal Receipts	6,175.6	7,506.1	4,965.3
1003 General Fund Match	1,816.7	1,870.3	1,360.2
1004 General Fund Receipts	1,653.6	4,339.7	2,760.5
1007 Inter-Agency Receipts	3,328.2	1,580.0	694.8
1037 General Fund / Mental Health	408.3	494.4	91.4
1061 Capital Improvement Project Receipts	82.4	57.7	59.2
1108 Statutory Designated Program Receipts	0.0	244.2	76.8
1156 Receipt Supported Services	0.0	55.3	0.0
Funding Totals	13,464.8	16,147.7	10,008.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	6,175.6	7,506.1	4,965.3
Interagency Receipts	51015	3,328.2	1,580.0	694.8
Statutory Designated Program Receipts	51063	0.0	244.2	76.8
Receipt Supported Services	51073	0.0	55.3	0.0
Capital Improvement Project Receipts	51200	82.4	57.7	59.2
Restricted Total		9,586.2	9,443.3	5,796.1
Total Estimated Revenues		9,586.2	9,443.3	5,796.1

**Summary of Component Budget Changes
From FY2009 Management Plan to FY2010 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2009 Management Plan	6,704.4	7,506.1	1,937.2	16,147.7
Adjustments which will continue current level of service:				
-Transfer Administrative positions/funding to AKPH/PH Mgmt	-560.0	0.0	0.0	-560.0
-Transfer Administrative positions/funding to BH/Administration	-193.4	-275.9	-73.9	-543.2
-Transfer Administrative positions/funding to BH/API	-333.1	-32.5	-574.8	-940.4
-Transfer Administrative positions/funding to OCS/Management	-454.9	-836.9	-193.1	-1,484.9
-Transfer Administrative positions/funding to DJJ/Probation Services	-135.9	0.0	0.0	-135.9
-Transfer Administrative positions/funding to HCS/Medical Asst Admin	-274.9	-277.2	0.0	-552.1
-Transfer Administrative positions/funding to PA/Administration	-86.5	-315.3	0.0	-401.8
-Transfer Administrative positions/funding to PH/Injury Prevention/EMS	-55.9	-24.6	0.0	-80.5
-Transfer Administrative positions/funding to PH/Nursing	-41.8	0.0	-46.2	-88.0
-Transfer Administrative positions/funding to PH/Administration	-293.3	-731.2	-115.8	-1,140.3
-Transfer Administrative positions/funding to PH/Epidemiology	-0.4	-7.7	-88.5	-96.6
-Transfer Administrative positions/funding to PH/Bureau of Vital Statistics	0.0	-13.6	-66.3	-79.9
-Transfer Administrative positions/funding to PH/State Medical Examiner	-72.1	0.0	0.0	-72.1
-Transfer Administrative positions/funding to PH/Laboratories	-67.0	-17.3	0.0	-84.3
-Transfer Administrative positions/funding to SDS/Administration	-102.1	-194.3	0.0	-296.4
-FY2010 Wage and Health Insurance Increases for Bargaining Units with Existing	179.0	185.7	52.2	416.9

**Summary of Component Budget Changes
From FY2009 Management Plan to FY2010 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
Agreements				
FY2010 Governor	4,212.1	4,965.3	830.8	10,008.2

Administrative Support Services Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2009 Management Plan	FY2010 Governor		
Full-time	178	100	Annual Salaries	5,376,671
Part-time	0	0	COLA	219,649
Nonpermanent	2	2	Premium Pay	39,307
			Annual Benefits	3,027,989
			<i>Less 4.62% Vacancy Factor</i>	(400,616)
			Lump Sum Premium Pay	0
Totals	180	102	Total Personal Services	8,263,000

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant III	0	0	6	0	6
Accountant IV	0	0	4	0	4
Accountant V	0	0	2	0	2
Accounting Clerk	3	0	4	0	7
Accounting Spvr II	1	0	0	0	1
Accounting Tech I	2	0	4	0	6
Accounting Tech II	0	0	2	0	2
Accounting Tech III	0	0	2	0	2
Admin Asst III	0	0	1	0	1
Admin Operations Mgr II	0	0	1	0	1
Administrative Assistant	0	0	1	0	1
Administrative Assistant I	0	0	1	0	1
Administrative Assistant II	0	0	1	0	1
Administrative Clerk II	0	0	1	0	1
Administrative Clerk III	1	0	4	0	5
Administrative Officer I	0	0	2	0	2
Administrative Officer II	0	0	2	0	2
Budget Analyst I	0	0	1	0	1
Budget Analyst III	0	0	2	0	2
Budget Analyst IV	0	0	4	0	4
Budget Manager	0	0	1	0	1
College Intern III	0	0	2	0	2
Deputy Director	0	0	1	0	1
Grants Administration Mgr	0	0	1	0	1
Grants Administrator I	0	0	9	0	9
Grants Administrator II	0	0	9	0	9
Grants Administrator III	0	0	6	0	6
Grants and Procurement Mgr	0	0	1	0	1
Internal Auditor III	0	0	1	0	1
Internal Auditor IV	0	0	1	0	1
Mail Svcs Courier	1	0	0	0	1
Procurement Spec I	2	0	1	0	3
Procurement Spec II	1	0	0	0	1
Procurement Spec III	1	0	1	0	2
Procurement Spec IV	0	0	1	0	1
Procurement Spec V	0	0	1	0	1

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Prog Coordinator	0	0	1	0	1
Project Coord	0	0	2	0	2
Project Coordinator	0	0	1	0	1
Research Analyst III	0	0	2	0	2
Research Analyst IV	0	0	1	0	1
Student Intern II	0	0	1	0	1
Supply Technician I	0	0	1	0	1
Totals	12	0	90	0	102